(c) No, Sir. The export of pulses is not canalised through any single agency.

**Benefit to Indian Tea Industry Due to Rupee-Rouble Exchange Rate Agreement**

730. DR. SANJAYA SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether the recent agreement between India and Russia on the rupee-rouble exchange rates will benefit the Indian Tea Industry; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) Yes Sir. India's repayments of state credits granted by the erstwhile Soviet Union shall be utilised by Russia for purchase of any goods and services from India that are permissible for export under the Export and Import Policy of the Government of India in force from time to time. The commodities so permitted includes tea also.

Besides the above exports of tea to Russia can also be made in hard currency and also under the countertrade mechanism.

731. *[Transferred to 11th March, 1993]*

**Export of Leather Goods**

732. SHRI SATISH PRADHAN: Will the Minister of COMMERCE be pleased to state:

(a) what was the export earnings from export of all types of leather goods during the last 3 years, year-wise;

(b) the measures taken to improve the production technology, import of raw materials and to ensure quality control to encourage boosting up of exports of leather goods.

(c) wheather Government are aware of large scale smuggling of leather, hides and skins to the neighbouring countries;

*(d) the details of steps taken/proposed* to be taken to check these activities in border areas; and

(e) the names of the tanneries which are involved in illegal activities and the action taken against those?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) India's exports of Leather and Leather Products during the last three years were as under:

(Value in Rs. Crores)

| Item | 1989-90 | 1990-91 | 1991-92 |
|---|---|---|---|
| Finished leather | 714.59 | 802.29 | 726.21 |
| Leather footwear | 171.43 | 280.47 | 430.81 |
| Footwear components | 518.25 | 573.00 | 663.35 |
| Leather garments | 332.88 | 554.81 | 736.87 |
| Leather goods | 292.87 | 343.26 | 518.99 |
| TOTAL | 2030.02 | 2553.83 | 3076.23 |

(SOURCE: Council for Leather Exports)

(b) To improve and modernize production technology in the leather industry, the Government has permitted import of machinery and chemicals in the leather and leather product sector with concessional rates of duty.

Besides, the Government with UNDP assistance has drawn up an integrated national Leather Development Programme to enable the leather industry in the country to face the challenges in the national and international markets. There are different components of this National Leather Development Programme such as human resources development, design and product development, development of supporting industries, affluent treatment and control

and strengthening export capability.

A number of Programmes with the assistance of various international agencies have also been undertaken to improve the production technology and marketing etc., in the leather sector. The Government has also permitted duty free import of raw hides and skins, chrome tanned leather, crust leather, finished leather, to augment availability of leather.

In order to ensure quality of Indian Leather and Leather goods, the Bureau of Indian Standards is coordinating the activities of the ISO/TC-120/Leather/EN Standards/EEC regulation/harmonisation of Indian standards of footwear and other leather items with ISO standards.

(c) to (e) While some seizures of *leather hides and skins have been made* by our agencies at our borders, there are no official reports of large-scale smuggling of leather hides and skins across neighbouring countries. However, with a view to check smuggling on these borders, our agencies have strengthened the vigilance and intelligence set up on our borders.

**Controls in International Trade**

733. SHRI SATISH PRADHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that even after 15 months of trade liberalisation policy announcement, plethora of controls continue to be in operation and the Chief Controller of Imports and Exports continue to operate and Director General International Trade alongwith supporting and associated officers; and

(b) the details of action contemplated to remove the controls?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) Under the Current Export and Import Policy, all items may be exported or imported freely, except to the extent they are regulated by the two small Negative Lists for Imports/Exports and other provisions of the Exim Policy or any other law for the time being in force.

The Director General of Foreign Trade and his officers are enjoined with the responsibilities cast upon under Foreign Trade (Development and Regulation) Act, 1992 and the Exim Policy. Since the new Liberalised policy, there has been a significant shift in their responsibilities from 'Control' and 'Regulation' to Export Promotion and Development.

734. *[Transferred to 5th March, 1993.]*

**Fall in Exports due to Ayodhya Incidents**

735. SHRI N. GIRI PRASAD:
SHRI GURUDAS DAS GUPTA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the exports are likely to fall by Rs. 1000/- crore this year due to Ayodhya issue and subsequent violence all over the country; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) Although it is difficult to quantify the effects of disturbances due to Ayodhya issue on exports, these disturbances have adversely affected export performance.

**Success of EPZ and EOU**

736. SHRI CHATURANAN MISHRA:
SHRI N.E. BALARAM:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the concept of Export Processing Zone (EPZ) of Export Oriented Units (EOU) has failed to take off in India whereas it has been successful in China, Mexico, Mauritius and a number of other countries;

(b) if so, what are the details thereof and the reasons therefor; and

(c) what steps are proposed to be taken to make them successful?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c) The schemes for Export Oriented Units (EOUs) and Export Processing Zones (EPZs) in India have evoked encouraging response and exports from this sector are steadily growing. However, some recent measures to make the EOU/EPZ scheme even more